

1 WAYNE STRUMPFER  
 Acting California Corporations Commissioner  
 2 ALAN S. WEINGER (CA BAR NO. 86717)  
 Acting Deputy Commissioner  
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 Senior Corporations Counsel  
 4 Department of Corporations  
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6 Attorneys for Complainant

8 BEFORE THE DEPARTMENT OF CORPORATIONS  
 9 OF THE STATE OF CALIFORNIA

11 In the Matter of the Accusation of THE	) OAH No.: L-2006010920
12 CALIFORNIA CORPORATIONS	)
12 COMMISSIONER,	) Case No.: 413-0418
13	)
13 Complainant,	) ORDER REVOKING RESIDENTIAL
14	) MORTGAGE LENDER LICENSE
15 vs.	)
16 MATRIX INVESTMENT CORPORATION,	)
17	)
17 Respondent.	)
18	)

19 Pursuant to the April 25, 2006 Proposed Decision of Administrative Law Judge Eric Sawyer  
 20 adopted by the California Corporations Commissioner on May 25, 2006, attached and incorporated  
 21 herein as Exhibit A, it is hereby ordered that the residential mortgage lender license issued by the  
 22 California Corporations Commissioner to Matrix Investment Corporation is revoked effective  
 23 May 26, 2006.

24 Dated: June 2, 2006  
 25 Los Angeles, CA

WAYNE STRUMPFER  
 Acting California Corporations Commissioner

27 By \_\_\_\_\_  
 28 DiAun Burns, Special Administrator  
 California Residential Mortgage Lending Act

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CALIFORNIA CORPORATIONS	)	
COMMISSIONER,	)	ACCUSATION
	)	
Complainant,	)	
	)	
vs.	)	
	)	
MATRIX INVESTMENT CORPORATION,	)	
	)	
Respondent.	)	
	)	
	)	

The Complainant is informed and believes, and based upon such information and belief, alleges and charges Respondent as follows:

I

Respondent Matrix Investment Corporation ("Matrix") is a residential mortgage lender licensed by the California Corporations Commissioner ("Commissioner") pursuant to the California Residential Mortgage Lending Act (California Financial Code § 50000 et seq.) ("CRMLA"). Matrix has its principal place of business located at 618 Poquonnock Road, Groton, Connecticut 06340.

## II

Pursuant to California Financial Code section 50200, Matrix was required to submit its audited financial statement for its fiscal year ended June 30, 2005 (“2005 audit report”) to the Commissioner by October 15, 2005. On or about June 3, 2005, the Commissioner notified Matrix in writing that its 2005 audit report was due October 15, 2005. Matrix was notified in the letter that failure to file the 2005 audit report could result in an action to revoke its license. According to information received by the Commissioner, Matrix filed for Chapter 7 bankruptcy on or about September 19, 2005. Matrix has yet to file its 2005 audit report with the Commissioner despite written notice.

## III

Pursuant to California Financial Code section 50205, all CRMLA licensees are required to maintain a surety bond in the minimum amount of \$50,000.00. The surety bond of Matrix expired on November 30, 2005, and no replacement has been obtained by Matrix.

On or about December 7, 2005, the Commissioner issued an Order to Discontinue Residential Mortgage Lending and/or Loan Servicing Activities to Matrix pursuant to California Financial Code section 50319 for failure to maintain the required surety bond. This Order was served on Matrix on or about December 7, 2005.

Matrix has yet to obtain a replacement surety bond in violation of California Financial Code section 50205.

## IV

California Financial Code section 50327 provides in pertinent part:

- (a) The commissioner may, after notice and a reasonable opportunity to be heard, suspend or revoke any license if the commissioner finds that:
- (1) the licensee has violated any provision of this division or rule or order of the commissioner thereunder; or
  - (2) any fact or condition exists that, if it had existed at the time of the original application for license, reasonably would have warranted the commissioner in refusing to issue the license originally.

V

The Commissioner finds that, by reason of the foregoing, Matrix has violated California Financial Code sections 50200 and 50205 and based thereon, grounds exist to revoke the residential mortgage lender license of Matrix.

WHEREFORE, IT IS PRAYED that the residential mortgage lender license of Matrix be revoked.

Dated: December 29, 2005  
Los Angeles, California

WAYNE STRUMPFER  
Acting California Corporations Commissioner

By \_\_\_\_\_  
Judy L. Hartley  
Senior Corporations Counsel